

ALVORD AND ALVORD

ATTORNEYS AT LAW

1600 K STREET, NW

SUITE 200

WASHINGTON, D.C.

20006-2973

(202) 393-2266

FAX (202) 393-2156

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

November 2, 2000

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

RECORDATION NO. 23220-E FILED

NOV - 6 '00 12-06 PM

SURFACE TRANSPORTATION BOARD

Re: PCJPB-WFEF-2000

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Memorandum of Loan and Security Agreement, dated as of November 2, 2000, a secondary document, as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Head Lease Agreement which is being filed with the Board under Recordation Number _____.

The names and addresses of the parties to the enclosed document are:

Trustee: State Street Bank and
Trust Company of California
633 West Fifth Street
Los Angeles, CA 90071

Lender: AIG-FP Funding (Cayman)
Limited
c/o Maples & Calder
P.O. Box 309
Ugland House
South Church Street
Grand Cayman, Cayman Islands
British West Indies

Mr. Vernon Williams
November 2, 2000
Page Two

A description of the railroad equipment covered by the enclosed document is

Lot No. 1: 3 F40PH-2 locomotives numbered 920, 921 and 922

Lot No. 2: 14 trailer cars numbered 3852 - 3865 and 6 cab cars
numbered 4021 - 4026

A short summary of the document to appear in the index follows:

Loan and Security Agreement between State Street Bank and
Trust Company of California, Trustee, and AIG-FP Funding (Cayman)
Limited, as Series A Lender, Series B Lender and as Agent, covering

Lot No. 1: 3 F40PH-2 locomotives numbered 920,
921 and 922

Lot No. 2: 14 trailer cars numbered 3852 - 3865 and 6 cab cars
numbered 4021 - 4026

Also enclosed is a check in the amount of \$26.00 payable to the order of the
Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

MEMORANDUM OF LOAN AND SECURITY AGREEMENT (PCJPB-WFEF-2000)

Memorandum of Loan and Security Agreement (PCJPB-WFEF-2000), made and entered into on November 2, 2000 by and between State Street Bank and Trust Company of California, National Association, as Trustee ("Trustee"), AIG-FP Funding (Cayman) Limited, as the Series A Lender ("Series A Lender"), AIG-FP Funding (Cayman) Limited, as the Series B Lender ("Series B Lender") and AIG-FP Funding (Cayman) Limited, as the Agent ("Agent").

WITNESSETH:

The undersigned have entered into that certain Loan and Security Agreement (PCJPB-WFEF-2000), dated as of November 2, 2000, whereby in consideration of a loan made under said agreement, the Trustee has granted a first priority security interest in the Collateral as defined in such agreement, including without limitation, the Trustee's interest in certain railroad equipment bearing car numbers as listed on Exhibit A attached hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

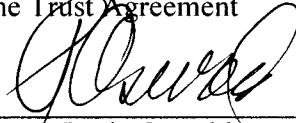
RECORDATION NO. 23220-E FILED

NOV - 6 '00 12-06 PM

SURFACE TRANSPORTATION BOARD

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Loan and Security Agreement to be duly executed by their respective officers thereunto duly authorized, as of the Closing Date.

STATE STREET BANK AND TRUST COMPANY
OF CALIFORNIA, NATIONAL ASSOCIATION,
not in its individual capacity, except as otherwise
expressly provided herein, but solely as Trustee
under the Trust Agreement

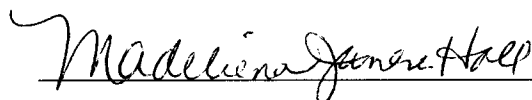
By: 
Name: Paula Oswald
Title: Vice President

ACKNOWLEDGEMENT

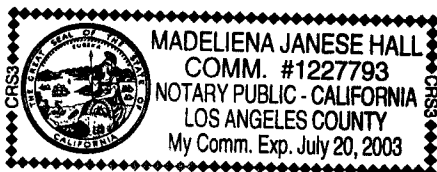
STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On October 31, 2000, before me, Madeliena Janese Hall, personally appeared Paula Oswald, personally known to me ~~or proved to me on the basis of satisfactory evidence~~ to be the person(s) whose name(s) is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity(ies) and that by her signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.


WITNESS my hand and official seal.



My commission expires on July 20, 2003



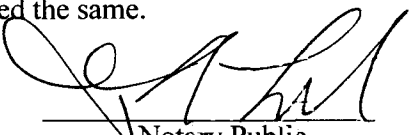
AIG-FP FUNDING (CAYMAN) LIMITED,
as Series A Lender

By: 
Name:
Title: **COLUM CARR**
AUTHORIZED SIGNATORY

ACKNOWLEDGEMENT

[STATE OF Connecticut])
[COUNTY OF Fairfield]) ss.: Westport

On the 2nd day of November, 2000, before me personally came Colum Carr, to me known, and known to me to be the individual described in, and who executed the above Memorandum of Loan and Security Agreement; and he acknowledged to me that he executed the same.


Notary Public
JANE T. LEHN
NOTARY PUBLIC
MY COMMISSION EXPIRES SEP 30, 2004

AIG-FP FUNDING (CAYMAN) LIMITED,
as Series B Lender

By: _____



Name:

Title:

COLUM CARR
AUTHORIZED SIGNATORY

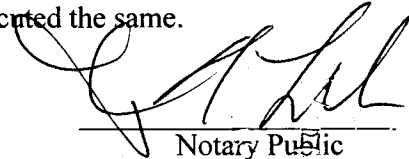
ACKNOWLEDGEMENT

[STATE OF Connecticut]

[COUNTY OF Fairfield]

)
) ss.: Westport
)

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Notary Public

JANE T. LEHN
NOTARY PUBLIC
MY COMMISSION EXPIRES SEP. 30, 2004

AIG-FP FUNDING (CAYMAN) LIMITED,
as Agent

By: _____

Name:

Title:



COLUM CARR
AUTHORIZED SIGNATORY

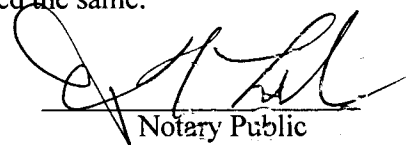
ACKNOWLEDGEMENT

[STATE OF Connecticut]

[COUNTY OF Fairfield]

) ss.: Westport
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Notary Public

JANE T. LEHN
NOTARY PUBLIC
MY COMMISSION EXPIRES SEP. 30, 2004

EXHIBIT A

**Description of Railcars; Equipment Values
Equipment Lot No. 1**

Item of Equipment	Serial No.	Equipment Value
General Motors F40PH-2 Locomotive	920	\$3,260,000.00
General Motors F40PH-2 Locomotive	921	\$3,260,000.00
General Motors F40PH-2 Locomotive	922	\$3,260,000.00

EXHIBIT A

Description of Railcars; Equipment Values
Equipment Lot No. 2

Item of Equipment	Serial No.	Equipment Value
Nippon Sharyo Trailer Car	3852	\$2,840,000.00
Nippon Sharyo Trailer Car	3853	\$2,840,000.00
Nippon Sharyo Trailer Car	3854	\$2,840,000.00
Nippon Sharyo Trailer Car	3855	\$2,840,000.00
Nippon Sharyo Trailer Car	3856	\$2,840,000.00
Nippon Sharyo Trailer Car	3857	\$2,840,000.00
Nippon Sharyo Trailer Car	3858	\$2,840,000.00
Nippon Sharyo Trailer Car	3859	\$2,840,000.00
Nippon Sharyo Trailer Car	3860	\$2,840,000.00
Nippon Sharyo Trailer Car	3861	\$2,840,000.00
Nippon Sharyo Trailer Car	3862	\$2,840,000.00
Nippon Sharyo Trailer Car	3863	\$2,840,000.00
Nippon Sharyo Trailer Car	3864	\$2,840,000.00
Nippon Sharyo Trailer Car	3865	\$2,840,000.00
Nippon Sharyo Cab Car	4021	\$3,030,000.00
Nippon Sharyo Cab Car	4022	\$3,030,000.00
Nippon Sharyo Cab Car	4023	\$3,030,000.00
Nippon Sharyo Cab Car	4024	\$3,030,000.00
Nippon Sharyo Cab Car	4025	\$3,030,000.00
Nippon Sharyo Cab Car	4026	\$3,030,000.00